APPAREL merchandising

C5150-7 4/11/83

UNMASKING BLOOMINGDALE'S

PENNEY SUITS UP FOR SUCCESS

GALLUP POLLS MEN ON PRIVATE LABEL

APPAREL merchandising

12 The store of the 60's is finding the 80's are not so high-flying: Bloomingdale's is going through an identity crisis. Last year sales were flat.

17 Walk down to the basement of Dayton's St. Paul store and enter The Club, a dazzling male environment that integrates upstairs resources with budget lines.

20 The male private label customer is the one most sought after. A Gallup survey found him to be 25-34, college educated and earning $25,000-plus.

23 Penney, the nation's leading retailer of men's tailored apparel, is going after a 50% increase in business in '83, banking on its Stafford and Gentry labels.

COVER PHOTO BY RICK BARRICK
MASK BY KATHY JEFFERS

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25 No. 2 Sears is struggling in men's suits, but remains committed to tailored apparel with a five-pronged suit program with price points of $99 to $150.

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DEPARTMENTS

29 One out of four men is under 5'7". There is a growing list of specialty retailers investing in inventories to cater to short men.

33 Men's socks business appears to be recession proof. Store brand and mid-calf lengths are preferred. Vibrant colors boost sales.

34 Free to be feminine, women are again buying dresses. Tonnage will move in the $70-$100 range at department stores, $30-$50 at Mervyn's.

37 Legwarmer business is still good in department stores but has become a staple. It has taken off, however, at discount stores.

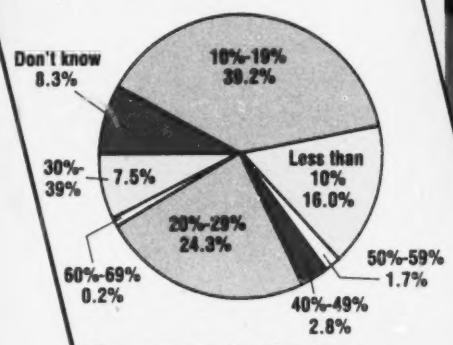
41 Letting the customer mix and match has increased sales of children's separates. Strong color statements are gaining in display popularity.

44 Kids want to look like grown-ups. It should be no wonder, then, that designer jeans sales are down and basics like Lee and activewear are up.

48 It was time to swim downstream, so department store merchant Roger Goddu plunged into Target, first in men's wear and now women's wear.

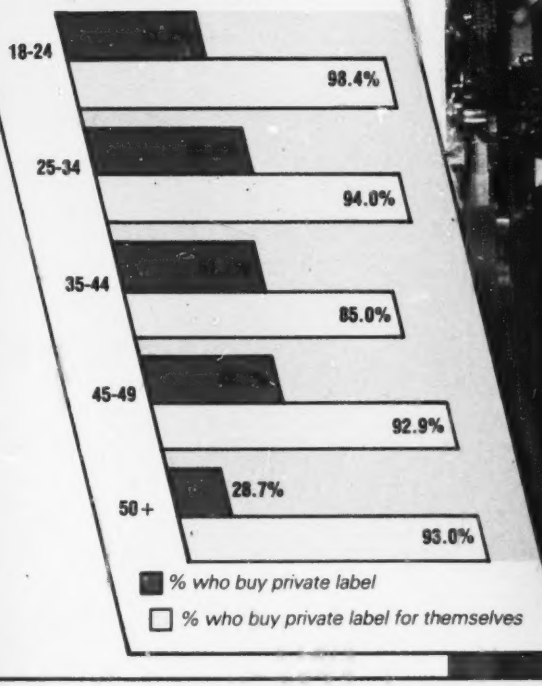
Men expect to pay 10%-29% less for private label

(% of price savings men expect from private label)



Source: The Gallup Organization for *APPAREL merchandisiing*

Younger men biggest clothing and private label shoppers



Sears, department stores first with private label shoppers

(Where are men buying private label?)

Store	All age groups	18-24	25-34	35-44	45-49	50+
Sears	37.5%	33.9%	36.0%	60.0%	46.4%	19.7%
Penney	33.2	35.5	26.2	50.0	50.0	18.3
Ward	13.4	16.1	9.5	26.7	14.3	2.8
Dept. stores	37.5	37.1	35.7	38.3	46.4	36.6
Specialists	15.6	17.7	11.9	20.0	—	21.1
Discounters	23.8	27.4	15.5	30.0	32.1	21.1
Other	20.5	20.9	15.5	28.3	17.8	21.1
Don't know	7.5	9.7	8.3	3.3	3.6	9.9

Totals add up to more than 100% due to multiple mentions.
Source: The Gallup Organization for *APPAREL merchandising.*

PHOTOGRAPH BY PHIL HUBER/BLACK STAR

Consumer Watch

men's private label

Men are somewhat less likely to buy private label merchandise in general than female shoppers (44% vs. 50.6%). However, when it comes to making purchases for themselves, 9 out of 10 men surveyed by The Gallup Organization for *APPAREL merchandising* said they bought private label.

That translates into a bright future for private label men's wear. While the percentage of private label at the catalog chains and discounters has declined as these retailers expand into national labels, department stores and specialists are intensifying private label men's wear. "Private label is much more of a factor than it has been and is definitely the direction we are headed," says Jim Ellis, div. vp at Los Angeles-based The Broadway.

The growth in private label has come in response to both price footballing of branded items and the proliferation of national brands, once exclusive to department and specialty stores, into low-margin chains. "The development of private label is a necessity to combat low-margin stores," says Burton Tansky, president of Saks Fifth Avenue in New York. Jordan Marsh is moving more into private label, says Matthew Powell, dmm/men's, to insulate itself from the high concentration of discounters in its New England area.

The private label customer as depicted by the Gallup study is one retailers are going after. The groups most likely to buy private label merchandise were the 25-34-year-olds, those with college educations, and those who earned over $25,000 per year. In the 18-24 age group, men were as likely to buy private label as women the same age (51.2% vs. 51.6%). When they bought private label, 98.4% bought for themselves.

Almost half of the men polled bought private label instead of national brands for lower prices. Surprisingly, the youngest age group was also the most price-conscious.

Men were less sure as to why they bought national brands. One-quarter chose brands for quality, but one-fifth also picked up brands because of their low prices. The third most frequently offered reason for buying brands was prestige, with 13.3% of those polled picking up brands for this reason.

Two-fifths of the men expected to pay 10%-19% less for private label merchandise. Another one-fourth saw 20%-29% savings, and 16% of the men interviewed expected to pay only 10% less for private label than branded items.

Sears is shopped as often as department stores for private label men's wear, with an equal number of men, 37.5%, shopping at each. Department stores were the most popular among the 18-24 group, with 37.1% shopping there. Sears edged out department stores among the 25-and-older crowd. In the 45-49 age group, Penney was the most popular store for private label, with half of those men shopping there.

Men may actually be doing more of their private label shopping at the catalog chains than they realize. While more than a third of the men surveyed recognized a store name as private label, only 8.9% knew Penney's Fox brand was a private label, and even fewer (4%) recognized Sears' Dragon as private label.

Regardless of where they buy private label, men do so for lower prices. More than half of the men who bought at department stores, discounters, Sears, Penney and Ward bought private label for low price. Almost two-fifths of specialty store shoppers bought for price.

Department and specialty stores are actively going after this price/quality shopper with private label. "Private label is not for all stores," says Phil Miller, president of Neiman-Marcus in Dallas. "The store must have a name and image developed over the years."

One such store is Chicago-based Marshall Field's, which is going after every level of shopper with such labels as ClubFellow, Field Standard and Field Sport. Even as branded margins erode in price wars, Field is maintaining margins through private label.

Private label, says Saks' Tansky, "gives each store the opportunity to develop quality in a product, to relate price to value." The dilemma that retailers now face, Tansky adds, is to decide what the proper balance is between private label and national brands that discounters have. *Am*

Men's Socks Toe A Solid Line

Socks are moving out of stores despite the economy. Men are buying socks to replenish wardrobes, add color.

The recession that affected retail sales last year had little impact on men's sock sales. While sales in other apparel categories were often flat from '81 to '82, sock volume increased over the previous year. At Hudson's in economically hard-hit Detroit, for example, men's socks were up 8%-10%, says Art Fasoli, basic furnishings buyer.

Men are buying socks whether they've been hit hard by the recession or not. In a study conducted for *CSA/Am* by Leo Shapiro & Associates, one-fourth of American men interviewed planned to buy socks this year. That percentage might not be terribly impressive, but the men went on to say they would *not* delay buying socks this year even if they cut back on spending.

Almost two-thirds wouldn't postpone sock purchases, even though almost half expected that it would be harder to pay bills this year than last. More than half had already slashed clothing purchases in general. But of 12 apparel items tracked by Shapiro, shoppers were least likely to delay buying socks.

Only 15.5% of the men surveyed had actively shopped for socks in recent months. Tom Nagamitsu, hosiery buyer at Minneapolis-based Dayton's, sees a large part of sock sales coming from replacement buyers who shop when the need arises.

Besides the fact that men always need socks, socks do well in hard times because of their low tickets. Most of the men surveyed by Shapiro expected to pay under $3 for socks, with $2.60 given as the median price.

When men do actively shop for socks, they shop price. Price was the main reason why 37% of men bought socks where they did. Only 13% choose a store for socks because of quality or satisfaction with past purchases.

Men would most likely go to either a discount chain or Sears, Penney and Ward to look for socks and to buy socks. While the largest group of men (29.1%) said they'd look for socks first at a discounter, more men (29.1%) would actually buy socks at Sears, Penney, or Ward than at a discounter (27.3%). The No. 3 choice for sock purchases was full-line and apparel-oriented department stores, with 18.1% of the men surveyed planning to buy socks there.

Store brands rated highly among men. More men planned to buy private label hose than any single national brand. Sixty per cent also planned to buy a midcalf sock for their next sock purchase.

Replacement buying alone, however, doesn't account for socks' healthy outlook. Particularly for department stores, which aren't capturing the price-conscious customer segment, the vibrant color spectrum now available and fashion appeal of patterns, such as argyles, have helped to boost sock volume. "Fashion and color interest are keeping socks alive," says Hudson's Fasoli.

Discounters like Bentonville, Ark.-based Wal-Mart are also seeing colored socks walk out of stores. "Colors make the sock area more exciting," says a source at the discount chain.

Colors also appeal to another big segment of the sock-buying public: women. Dayton's Nagamitsu estimates that up to 80% of all sock purchases are made by women for men. Women, say department and discount store buyers, are much more likely to buy colorful socks for men than the men are for themselves. *Am*